



Director of
Central
Intelligence

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National Intelligence Daily

Tuesday
25 June 1985

Cable

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NETHERLANDS:

Squabbling Over SDI

The Christian Democratic Party's squabbling over SDI demonstrates its continuing lack of consensus on security issues.

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Christian Democratic spokesman de Boer last week in Parliament gave a strongly negative appraisal of SDI and the potential benefits of participation by the Netherlands. De Boer reportedly questioned the technological feasibility of SDI and reiterated Dutch concerns that SDI would be used only for the defense of North America. He also made a "seething indictment" of past US-West European military technological cooperation and contended that Western Europe would gain little scientific expertise by joining SDI research.

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Foreign Minister van den Broek was furious with de Boer's speech because it ignored an agreement he had with the party caucus to support the government's earlier and more balanced statements on SDI. Defense Minister de Ruiter's reaction to the speech, in contrast, was more restrained and appeared to agree with de Boer's claim that the Dutch would derive few benefits from SDI participation.

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Christian Democratic leaders probably will be able to block an opposition motion today calling for a ban on developing space-based weapons. In addition, they will try to limit the intraparty damage caused by de Boer by reaffirming their support for a united Western European Union response and by delaying a Dutch decision until a West European working group reports on SDI next month.

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De Boer's unexpected criticism of SDI, and the diverse reactions from van den Broek and de Ruiter to it, underlines the lack of a Christian Democratic consensus on security issues. Intraparty fractiousness on both SDI and INF probably will sharpen as summer progresses and as the party prepares to debate its election platform at a congress in October on the eve of The Hague's INF deployment decision.

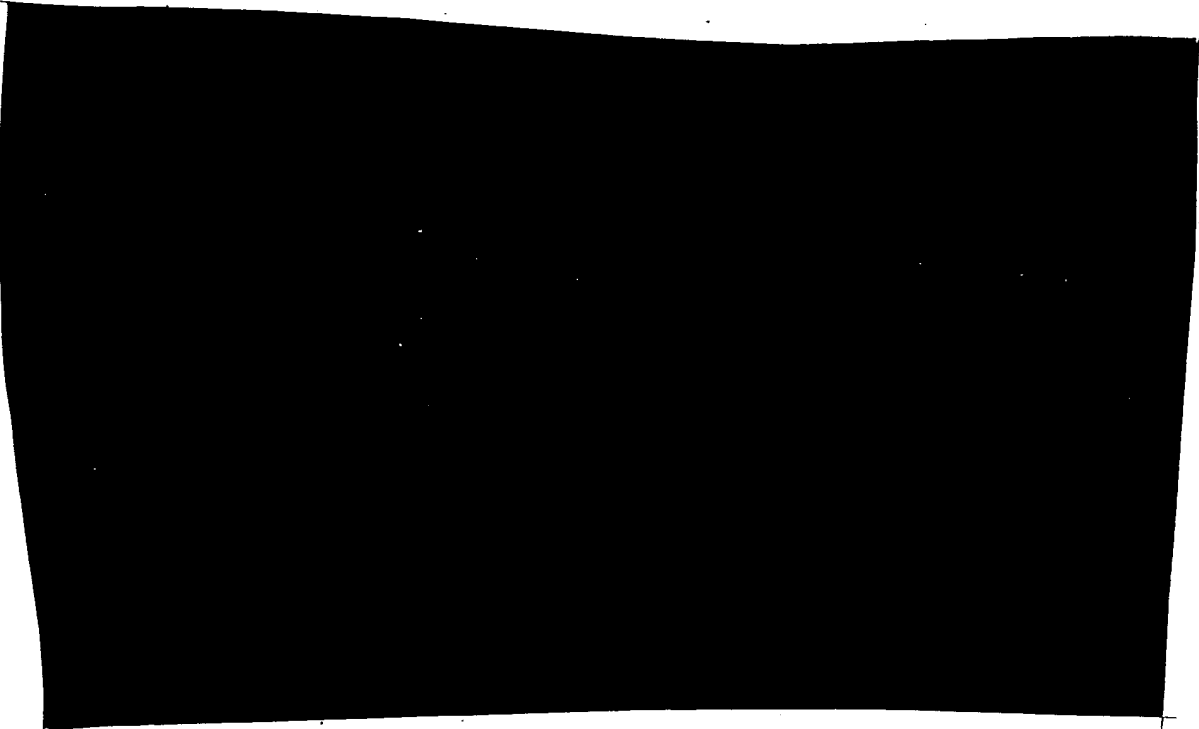
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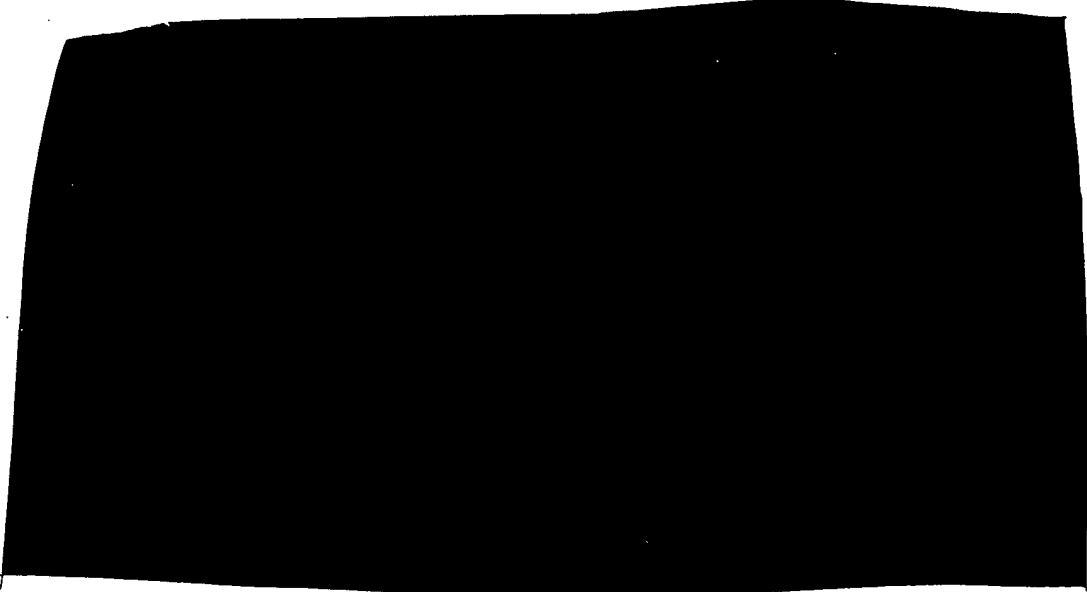
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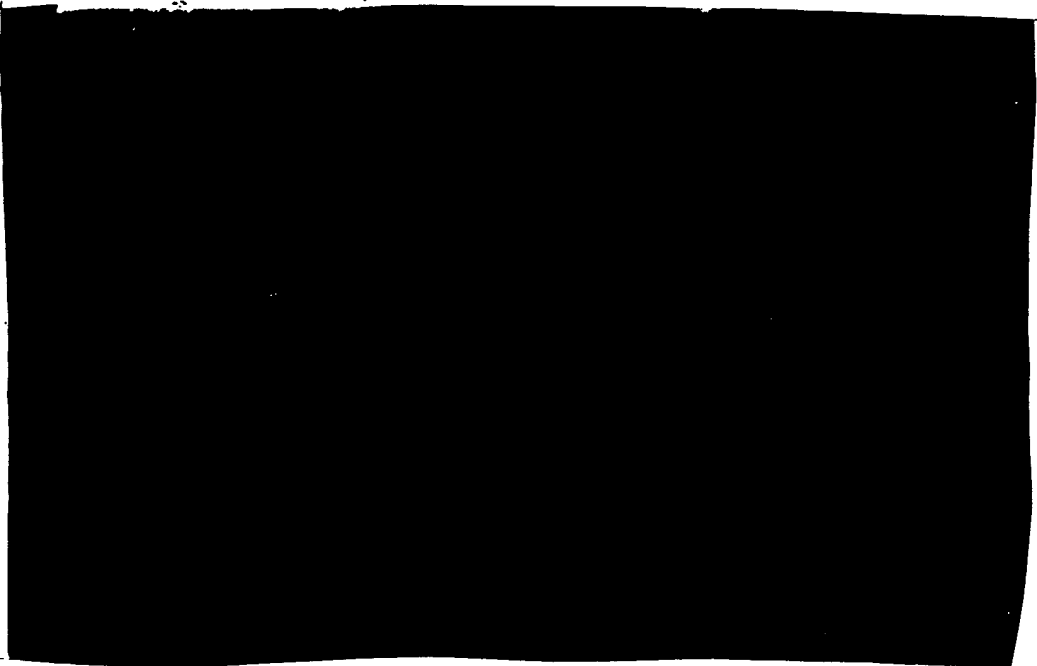
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IRAN-LIBYA: Strategic Alliance

The strategic alliance treaty between Libya and Iran, announced yesterday, is unlikely to alter significantly the military or political relationship between the two countries. Libya said the alliance had been signed during the visit last week of Consultative Assembly Speaker Rafsanjani. The two countries agreed to form a joint political and military committee and to establish an "Army of Jerusalem" to liberate Palestine. In an implied criticism of Syrian policies in Lebanon, they condemned the attacks on Palestinian camps in Beirut. Iran declared its support for Libya's right to defend the Gulf of Sidra.

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[REDACTED]

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HUNGARY-ROMANIA: Strained Relations

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[REDACTED] Hungarian-Romanian relations, often marred by disputes over Romania's treatment of its large Hungarian minority, have worsened recently. Romania closed its single Consulate in Hungary in January and now reportedly is pressing Budapest to close its Consulate in Romania. Both Consulates were opened as part of a 1977 agreement to resolve differences over the minority issue. [REDACTED] Budapest has formally protested Romanian harassment of Hungarian tourists at border crossings [REDACTED]

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[REDACTED] Romania's efforts to reduce contact between Hungarians and their conationals in Romania reflect heightened concern about Budapest's increasingly open criticism of Romanian minority policy and the damage this is doing to its reputation abroad. The Romanians may also be hypersensitive about Hungary's consular and tourist contacts among ethnic Hungarians at a time of severe austerity in Romania. Although Hungarians are likely to demand that their leaders be more assertive, the Kadar regime probably will tone down its rhetoric to try to save the Consulate. [REDACTED]

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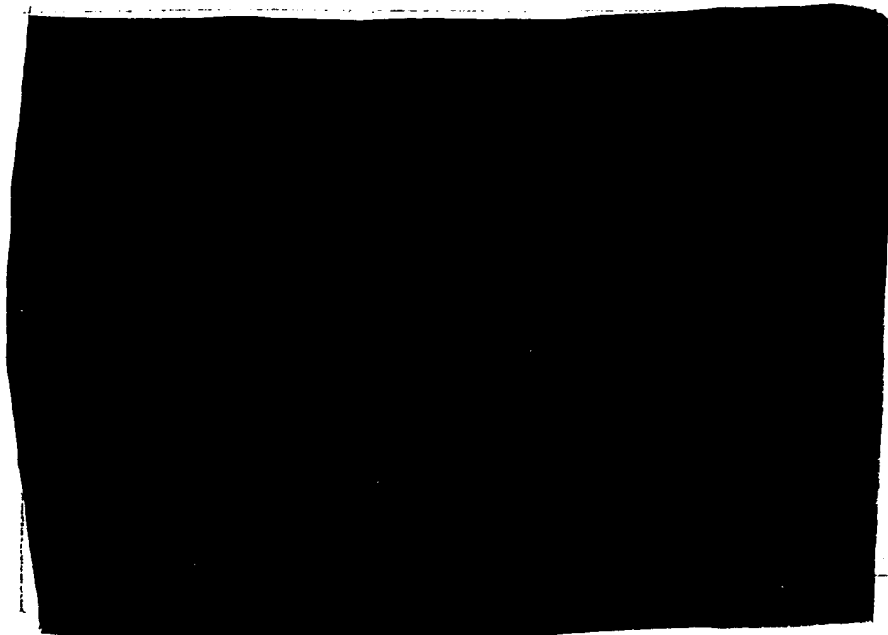
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PARAGUAY: Impasse on Cocaine Chemicals

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[REDACTED] President Stroessner is delaying the court-ordered destruction of cocaine-refining chemicals seized last September, citing environmental concerns. US refusal to take responsibility for the chemicals prompted Asuncion to approach the [REDACTED] manufacturer, which has offered to take back the shipment. [REDACTED]

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[REDACTED] Stroessner does not want to destroy the chemicals and apparently is seeking a solution that will satisfy both drug traffickers and the US. It is unclear whether the manufacturer would destroy the chemicals or resell them. Public destruction of the chemicals would send a strong signal to the traffickers and improve Paraguay's reputation for drug control. Asuncion's continued inaction, however, lends credibility to reports of high-level complicity in the importation of the chemicals and encourages traffickers who believe they may yet retrieve the supplies. [REDACTED]

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In Brief

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— Gorbachev reportedly complained to Czechoslovak President Husak over booing of Soviet hockey team last month in Prague ... in contrast, US team cheered ... regime embarrassed but hard put to stifle anti-Soviet sentiment. b (3)

— Soviet party secretary Romanov signed obituary last week for Marshal Moskaleiko ... indicates that, contrary to some Western reports, he has not lost political posts ... adverse rumors continue, however, suggesting his position insecure. b (3)

Eastern Europe

— Annual meeting of CEMA Premiers convenes today in Warsaw ... will focus on CEMA's lagging science and technology program ... members' 1986-90 plans likely to emphasize faster growth of machine-building sectors and use of new technologies. b (3)

Asia

— Nepalese have concluded that group called United Liberation Brigade behind recent bombings ... headed by antimonarchist politician exiled in India ... Kathmandu suspects group has support of local authorities in neighboring Indian state. b (3)

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- Egyptian adviser al-Baz met Sudanese leader al-Dahab yesterday ... Mubarak made surprise trip last week ... Cairo insists Sudan's Defense Minister visit Egypt before Libya ... [REDACTED]

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- Joint Jordanian-Palestinian delegation visits Rome and Paris this week to encourage Italian and French support for February's PLO-Jordanian accord ... two prominent PLO officials included ... [REDACTED]

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Special Analysis

LEBANON-US:

The Hostage Situation

Amal leader Nabih Barri exercises only nominal control over the militiamen holding most of the TWA hostages. [REDACTED] B3

The original three hijackers appear to have undertaken the operation without the foreknowledge of either Amal or Hizballah leaders.

B3 [REDACTED] the member of the hijacking team who was arrested [REDACTED] confessed that he and his two comrades belonged to a small group of Shias from southern Lebanon whose relatives were killed or captured fighting the Israelis; he claimed they were motivated by a desire for revenge against Israel. The behavior and demands of the hijackers tend to support his statement. [REDACTED] B3

Barri's Role

Barri has been trying to exploit the incident to improve his standing among an increasingly radicalized Shia population. He is fighting for his political life against extremists both within Amal and from the fundamentalist Hizballah movement, which is challenging him in Beirut and southern Lebanon. Anti-American sentiments are running high among Amal members, and a number of Amal leaders—including some of Barri's top deputies—reject Barri's authority and sympathize with the Hizballah extremists. [REDACTED] B3

Barri probably believes that forcing the release of the prisoners held in Israel—most of whom are presumably Amal members—would represent a major political coup that could improve his and Amal's political fortunes. He initially hoped also to place the US in his debt by arranging a deal for the release of the Americans. His public commitment to the hijackers' demands, however, has eroded his attempts to play both sides. [REDACTED] B3

Outlook

Barri's ability to exercise authority in the situation is limited. Many of the Amal militiamen holding hostages probably are under the influence of hardliners and may not obey him if he orders the Americans released. [REDACTED] B1, B3

[REDACTED] The Hizballah has strong interests in prolonging the situation, both to embarrass and manipulate the US and to undermine Barri's position. [REDACTED] B3

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Even if the Israelis were to free their prisoners and Barri could persuade the Amal-affiliated militiamen to release the Americans they are holding, it is doubtful that the Hizballah elements would release the group of passengers under their control. The pro-Iranian Hizballah has its own agenda—which in the past has included demands for the release of radical Shia terrorists in prison in Kuwait—and almost certainly will insist on dictating terms to Barri. And, as the crisis drags on, the likelihood grows that the Hizballah will try to harm or at least take control of more of the American hostages [REDACTED]

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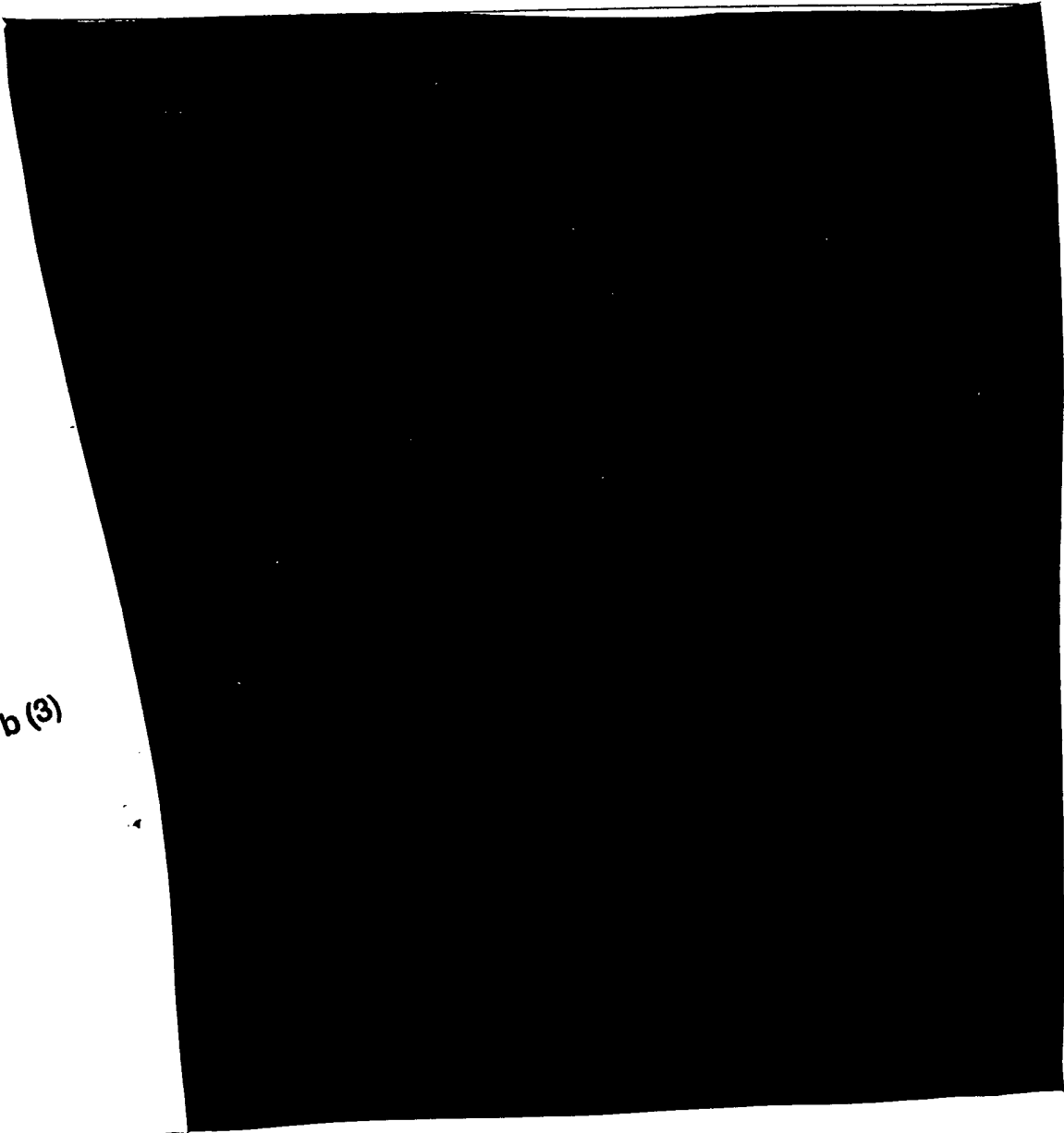
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Special Analysis



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